

[Translation]

\* *[I/we] brought this over based on the April 25<sup>th</sup> submission deadline but they refused to accept it. To be litigated as of May 24<sup>th</sup>.*

May 18, 2000

To: Osaka Special Collections Division  
Resolution and Collection Corporation

[From:] Toshio Kinoshita  
Representative Director  
Sports Shinko Co., Ltd.

### **Re: Payment Plan**

I hope that this letter finds you well.

I am truly grateful for the special consideration you have consistently extended to our business.

Although the terms of the payment plan submitted to your institution on January 21<sup>st</sup> of this year reflect the maximum consideration that our company could extend to your institution given the existing situation, we have continued to spare no effort in working to modify [the payment plan], as you have repeatedly requested that we submit a revised plan[s], citing delays in the pace of repayment.

However, the golf course business environment continues to remain stagnant and, as shown in Exhibit 6, our company's operating income for the current year is approximately 7% lower than the level of the corresponding month[s] of the preceding year.

In addition, conditions in the domestic real estate market continue to deteriorate while unabated "Japan bashing" continues to plague our efforts to sell our overseas assets, as a result of which we have been unable to generate results (repay debt from the sale of assets) despite our intense sales efforts.

Since submitting the payment plan, our company has, within this context, further ratcheted up its marketing efforts and cost-cutting efforts ("wringing a dry towel").

For example, while our income from golf operations for January-April of this year reflects a drop in revenue of 360,000,000 yen from the comparable period of the preceding year, our profit before depreciation dropped by less than 100,000,000 yen from the comparable period of the preceding year as a result of exhaustive restructuring [efforts]. Within this context, we would like to make the following modifications based on our examination of how we can increase [the amount of] payments to [be made to] your institution.

1. Although the plan called for us to make payment of 120,000,000 yen – an amount corresponding to the payments made in the preceding year – over a period of three years, we shall make payment of 80,000,000 yen this year and 40,000,000 yen

**EXHIBIT** 1

next year. (Note that 20,000,000 yen of the amount to be paid this year was already paid in April).

2. We shall increase the planned prorata-based payment of 300,000,000 yen from the proceeds from the sale of the Kawanishi Golf Course land in excess of the revolving mortgage (8,000,000,000 yen) to 1,000,000,000 yen (an increase of 700,000,000 yen).
3. Since we were able to sell the Manno land that we had anticipated selling in or after 2004, we shall make a payment of 10,000,000 yen this year.

Based on the above, the amount that to be paid over the first 2 years would increase while the amount to be paid over the 5-year period would remain unchanged. However, the amount we would pay over a 10-year period would increase by approximately 600,000,000 yen to approximately 5,000,000,000 yen.

Given the current circumstances, these modifications represent the absolute best that our company can do, given that we continue to maintain relationships with and receive support from some 50 financial institutions. I would like to ask for your understanding and acceptance based upon your consideration of the circumstances.

Note that if income from our golf operations steadily recovers, we intend to re-revise the payment plan and to work to secure take-over financing from other banks.

**209 0341**

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X 4月25日付に提出したものが  
受取に拒否されたものの  
5月24日付で訂正書を送る

平成12年5月18日

(株)整理回収機構  
大阪特別回収部 殿

スポーツ振興(株)  
代表取締役 木下俊雄

## ご返済計画について

時下益々ご清栄のこととお慶び申し上げます。

平素は弊社業務に何かとご高配を賜りまして誠にありがとうございます。

本年1月21日に貴機構に提出しました返済計画は、当社としては現下の状況からして貴機構に最大限の配慮をした内容ではございましたが、返済ペース遅滞ということで修正計画の提出を再三要請されて参りましたので、全力を上げて見直しに注力して参りました。

しかしゴルフ場事業の環境は依然として低迷し、別表6に示すよう弊社の本年の事業収入は対前年同月比▲7%前後で推移しております。

また国内不動産市況も底入れせず、海外資産の売却も“日本タタキ”は収まらず、弊社の懸命の売却努力にもかかわらず結果（資産売却による返済）を出すに至っておりません。

こうした中で弊社は返済計画提出後も一段の営業努力と乾いたタオルを絞るような経費削減に努めて参りました。

例えば本年1月～4月の当社ゴルフ事業収入は前年同期比3.6億円の減収ですが、リストラの徹底により償却前利益は前年同期比で1億円弱の減少に止めております。こうした状況の中で貴機構への返済を増やすべく検討した結果、以下の修正をさせていただきます。

- 1 過年度返済相当分120百万円を3年間で返済する計画でありましたが、本年度に80百万円、来年度に40百万円を返済する（なお本年度分のうち20百万円については4月に返済済み）
- 2 川西ゴルフ場土地売却代金のうち根抵当権（80億円）を超える分については、プロラタで3億円返済する計画を10億円とする（7億円増額）
- 3 平成16年以降に売却見込みであった満濃土地が売却出来たので本年度に100万円を返済する

この結果、当初2年間の返済額は増加し、5年間の返済額は変わらないものの、10年間の返済額は約6億円増加して約50億円となります。

現在の状況下では弊社として約50の金融機関とのお取引・ご支援を維持しつつ、出来る限りのギリギリの修正でございますので、事情ご賢察のうえ、ご理解、ご承認を頂きたいようお願い申し上げます。

なお、ゴルフ事業収入が着実に回復に転じましたら、返済計画を再修正し、また他行による肩代わり融資を実現できるよう努力する所存であります。

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(別表 3)  
海外資産売却計画

(修正なし)

| 資産                | 所在      | 売却<br>予定時期 | 売却見込<br>千ドル | 売却費用 7%<br>千ドル | 現地借返済<br>千ドル | 手取り<br>千ドル | 同左円貨<br>100円 | 国内返済見込<br>百万円 | 現地借<br>担保権者 |
|-------------------|---------|------------|-------------|----------------|--------------|------------|--------------|---------------|-------------|
| デレニリーフゴルフ&デニスリゾート | フロリダ    | 2000年      | 25,000      | 1,750          | 12,519       | 10,731     | 1,073        | 1,000         | 米国生保        |
| ラコスタリゾート&スパ       | カリフォルニア | 2004       | 120,000     | 8,400          | 76,799       | 34,801     | 3,480        | 3,000         | 富士銀行        |
| アカラニカントリークラブ      | ハワイ島    | 2001       | 9,000       | 630            | 4,500        | 3,870      | 387          | 400           | ハワイ銀行       |
| キアフナゴルフクラブ        | カウアイ島   | 2001       | 5,000       | 350            | 1,431        | 3,219      | 322          | 300           |             |
| ダイアモンドヘッドビーチホテル   | オアフ島    | 2000       | 2,500       | 175            |              | 2,325      | 233          | 200           |             |
| オーシャンリゾートホテル      | オアフ島    | 2004       | 14,000      | 980            |              | 13,020     | 1,302        | 1,000         | 富士銀行*1      |
| ミリラニゴルフクラブ        | オアフ島    | *2         |             |                | 5,726        | -5,726     | -573         |               | ハワイ銀行       |
| クイーンカピオラニホテル      | オアフ島    | *2         |             |                |              |            |              |               |             |
| その他とも 計           |         |            | 175,500     | 12,285         | 100,975      | 62,240     | 6,224        | 5,900         |             |

×6%

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\*1 担保権者 富士銀行 20,000千ドル。ラコスタと共同担保  
 \*2 オーシャンリゾート会員およびロイヤルリゾート会員の存在を勘案し売却不可能  
 整理回収機構に返済

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[Translation]

(Exhibit 3)

Plan for Selling off Overseas Assets (no modifications)

209 0345

| Asset                          | Location   | Anticipated<br>Timing of<br>Sale | Anticipated<br>Sale [SIC] | Sales<br>Costs<br>7% | Repayment of<br>Local<br>Borrowings | Net    | Net in Yen<br>[SIC] | Anticipated<br>Domestic [Debt]<br>Repayment | Local<br>Borrowings:<br>Mortgagee |
|--------------------------------|------------|----------------------------------|---------------------------|----------------------|-------------------------------------|--------|---------------------|---|-----------------------------------|
|                                |            |                                  | \$1000                    | \$1000               | \$1000                              | \$1000 | 100 yen<br>[SIC]    | 1,000,000 yen                               |                                   |
| Grenelete Golf & Tennis Resort | Florida    | Year 2000                        | 25,000                    | 1,750                | 12,519                              | 10,731 | 1,073               | 1,000                                       | U.S. Life                         |
| La Costa Resort & Spa          | California | 2004                             | 120,000                   | 8,400                | 76,799                              | 34,801 | 3,480               | 3,000                                       | Fuji Bank                         |
| Pukalani Country Club          | Maui       | 2001                             | 9,000                     | 630                  | 4,500                               | 3,870  | 387                 | 400   | Bank of Hawaii                    |
| Kiahuna Golf Club              | Kauai      | 2001                             | 5,000                     | 350                  | 1,431                               | 3,219  | 322                 | 300   |                                   |
| Diamond Head Beach Hotel       | Oahu       | 2000                             | 2,500                     | 175                  |                                     | 2,325  | 233                 | 200   |                                   |
| Ocean Resort Hotel             | Oahu       | 2004                             | 14,000                    | 980                  | 5,726                               | 13,020 | 1,302               | 1,000                                       | Fuji Bank *1                      |
| Mililani Golf Club             | Oahu       | * 2                              |                           |                      |                                     | -5,726 | -573                |   | Bank of Hawaii                    |
| Queen Kapiolani Hotel          | Oahu       | * 2                              |                           |                      |                                     |        |                     |   |                                   |
| Plus Others                    | TOTAL      |                                  | 175,000                   | 12,285               | 100,975                             | 62,240 | 6,224               | 5,900                                       |                                   |

\* 1 Mortgage: Fuji Bank \$20,000,000 Jointly secured by La Costa  
\* 2 Unsellable considering the existence of Ocean Resort members and Royal Resort members.

x 6%  
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To be paid to RCC

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